

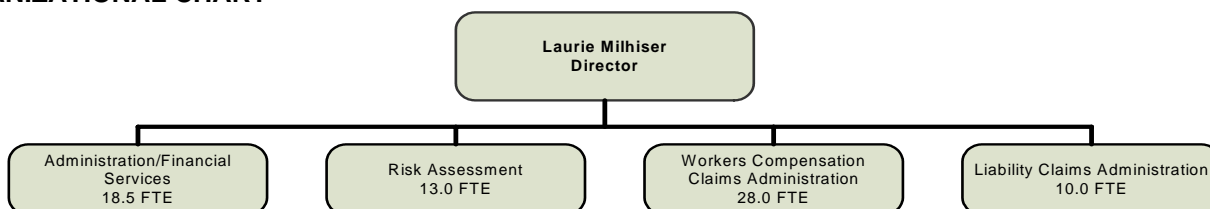
RISK MANAGEMENT

Laurie Milhiser

MISSION STATEMENT

Risk Management seeks to minimize the frequency and severity of financial loss to the County through a coordinated Enterprise Risk Management Program which includes identification and assessment of exposures that can result in loss, effective risk reduction and loss prevention programs for identified risks, aggressive claims management, and fiscally responsible risk financing and recovery.

ORGANIZATIONAL CHART



SUMMARY OF BUDGETS

2005-06				
	Appropriation	Revenue	Revenue Over/ (Under) Exp	Staffing
Operations	5,865,143	5,865,143	-	70.5
Insurance Programs	56,537,868	94,718,000	38,180,132	-
TOTAL	62,403,011	100,583,143	38,180,132	70.5

Operations

DESCRIPTION OF MAJOR SERVICES

Risk Management administers the county's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All program costs are paid from insurance sub funds, which are funded by charging general fund and non-general fund departments as well as Board-Governed Special Districts and County Service Areas for the cost to pay losses and fund future liabilities for the self-insured programs and the cost of insurance for the insured programs.

BUDGET AND WORKLOAD HISTORY

	Actual 2003-04	Budget 2004-05	Actual 2004-05	Budget 2005-06
Appropriation	4,958,155	5,164,475	4,832,121	5,865,143
Departmental Revenue	4,810,196	5,164,475	5,309,472	5,865,143
Revenue Over/(Under) Expense	(147,959)	-	477,351	-
Budgeted Staffing		65.3		70.5
Fixed Assets	-	-	9,031	-
Unrestricted Net Assets Available at Year End	(99,381)		169,792	

Workload Indicators

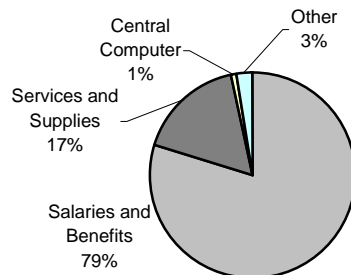
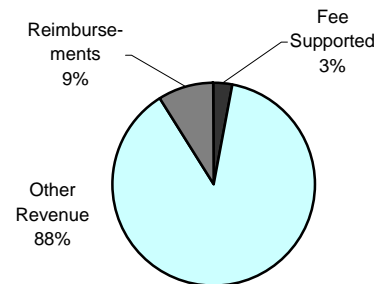
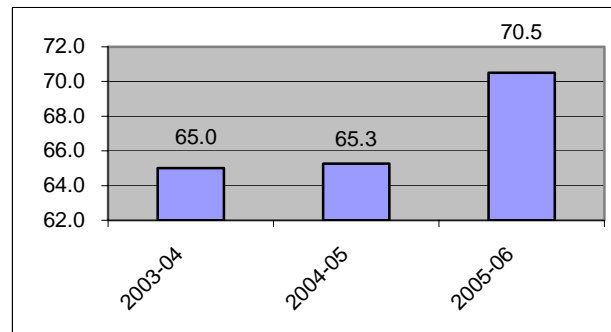
Average cost of a closed WC indemnity claim	21,270	19,000	19,217	21,346
Average cost of a closed Liability claim	8,184	6,500	6,431	8,445
Preventable vehicle accident rate per million miles driven	6	7	5	7
Percent of WC claimants ranking treatment (professional and courteous) as good or excellent	90	91	91	91
Percent of WC claimants ranking return of phone calls promptly as good or excellent	87	88	88	89
Percent of WC claimants ranking explanation of benefits as good or excellent	87	88	88	89

In 2005-06, staffing increases by 5.2 positions.

- On October 5, 2004, the Board approved the addition of 3.0 Workers' Compensation Claims Assistants.
- The addition of 1.0 Staff Analyst II will provide assistance with the preparation, issuance, and evaluation of requests for proposals (RFP). This position will also prepare contracts and Board agenda items, and provide assistance to the Emergency Medical Services (EMS) program.



- The addition of 1.0 Automated Systems Analyst I will provide assistance in the preparation of monthly EMS reports submitted to the San Bernardino Medical Society and the EMS Committee. This position will manage the data in the EMS system and assist with the preparation of other Risk Management ad-hoc reports.
- The addition of 0.5 Supervising Automated Systems Analyst I will provide assistance with the Automated Claims Processing system.
- The reduction of 0.3 Contract Risk Manager reflects the expiration of the contract in December 2004.

2005-06 BREAKDOWN BY EXPENDITURE AUTHORITY**2005-06 BREAKDOWN BY FINANCING SOURCE****2005-06 STAFFING TREND CHART**

GROUP: Administrative/Executive
DEPARTMENT: Risk Management
FUND: Risk Management - Operations

BUDGET UNIT: IBP RMG
FUNCTION: General
ACTIVITY: Insurance programs

	2004-05 Actuals	2004-05 Final Budget	2005-06 Board Approved Base Budget	2005-06 Board Approved Changes to Base Budget	2005-06 Final Budget
Appropriation					
Salaries and Benefits	4,020,374	4,383,309	4,971,872	165,745	5,137,617
Services and Supplies	1,164,104	1,130,675	1,118,258	(38,961)	1,079,297
Central Computer	45,531	47,779	53,360	-	53,360
Transfers	161,389	161,389	169,891	-	169,891
Total Exp Authority	5,391,398	5,723,152	6,313,381	126,784	6,440,165
Reimbursements	(559,277)	(558,677)	(575,022)	-	(575,022)
Total Appropriation	4,832,121	5,164,475	5,738,359	126,784	5,865,143
Departmental Revenue					
Use of Money and Prop	58,235	55,000	55,000	-	55,000
State, Fed or Gov't Aid	721	-	-	-	-
Current Services	366,041	225,000	225,000	(27,300)	197,700
Total Revenue	424,997	280,000	280,000	(27,300)	252,700
Operating Transfers In	4,884,475	4,884,475	5,458,359	154,084	5,612,443
Total Financing Sources	5,309,472	5,164,475	5,738,359	126,784	5,865,143
Revenue Over/(Under) Exp	477,351	-	-	-	-
Budgeted Staffing		65.3	68.3	2.2	70.5
Fixed Assets					
Equipment	9,031	-	-	-	-
Total Fixed Assets	9,031	-	-	-	-



DEPARTMENT: Risk Management
 FUND: Risk Management - Operations
 BUDGET UNIT: IBP RMG

BOARD APPROVED CHANGES TO BASE BUDGET

Brief Description of Board Approved Changes		Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/ (Under) Exp
1.	Salaries and Benefits Addition of 1.0 Staff Analyst II is requested to assist with the preparation, issuance, and evaluation of requests for proposals (RFP). Risk Management issues approximately 20 RFP's per year, which vary in their degree of difficulty. An additional position is necessary to assist in the preparation of RFP's, contracts, Board agenda items, budgets, and to provide some analytical assistance to the Emergency Medical Services program.	1.0	74,548	74,548	-
2.	Salaries and Benefits Addition of 1.0 Automated Systems Analyst I for the Emergency Medical Services (EMS) program. This position is requested for preparation of monthly reports submitted to the San Bernardino Medical Society and the EMS Committee. This position will manage the data in the EMS system and assist with the preparation of other Risk Management ad-hoc reports.	1.0	69,848	69,848	-
3.	Salaries and Benefits Reduction of 0.3 Contract Risk Manager is requested because the contract for this position expired in December 2004.	(0.3)	(43,997)	(43,997)	-
4.	Salaries and Benefits Addition of 0.5 Supervising Automated Systems Analyst I is requested due to the expected retirement of key Risk Management personnel. This position, which will cost \$42,646, is critical due to the nature of the Automated Claims System and mandates regarding the processing and time requirements of various claim payments.	0.5	65,346	65,346	-
** Final Budget Adjustment - Mid Year Item Increase in costs and revenue of \$22,700 related to the Clerical Classification Study approved by the Board on April 5, 2005 #67.					
5.	Services and Supplies Reduced costs primarily due to reduced County-Wide Cost Allocation Plan (COWCAP) charges.	-	(38,961)	(38,961)	-
Total		2.2	126,784	126,784	-

** Final Budget Adjustments were approved by the Board after the proposed budget was submitted.

